

AMENDMENTS

**In the specification:**

Please replace the existing Abstract, beginning on page 32 of the specification, with the substitute Abstract as set forth below:

ai /- A catalyst system comprising a primary catalyst chosen from one or more homogeneous or heterogeneous, inorganic, organic or complex metal-containing compound; and one or more phenolic activator/modifier(s). The catalyst system can be used for the preparation of allylic alcohols by rearrangement of corresponding epoxides, the subsequent Oppenauer type oxidation of allylic alcohols to alpha, beta-unsaturated carbonyl compounds, and/or the preparation of alpha, beta-unsaturated carbonyl compounds by rearrangement of epoxides to corresponding allylic alcohols followed by the subsequent Oppenauer type oxidation of allylic alcohols in a one pot process.--